

## DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814  
(916) 322-5462



September 22, 1978

ALL-COUNTY LETTER NO. 78-42

TO: ALL COUNTY WELFARE DIRECTORS  
HOLDERS OF STATISTICAL REPORTS MANUAL

SUBJECT: FRAUD INVESTIGATION ACTIVITY REPORT REVISION (FORM DPA 266)

REFERENCE: DIVISION 26 SECTION 230 — 230.90

The Department of Social Services has developed a program performance model for fraud prevention similar in concept to that now utilized by the Department in the overall management of the AFDC Program.

In order to implement this model, we have revised the performance reporting system to capture data on a county-by-county basis, incorporating the multi-dimensional performance criteria of efficiency, effectiveness, and equity. In accomplishing this, the Department has combined the present Monthly Fraud Investigation Activity Report forms (DPA 266.1, DPA 266.1A) into one report form (DPA 266), which is arranged in a sequential format, consistent with the steps involved in a fraud investigation.

Utilizing the above-mentioned performance criteria, the compiled data elements will be analyzed and further translated into performance indicators by Department of Social Services staff, which will serve to evaluate each county's performance in relation to its peer counties. The results will be disseminated back to the counties via a revised Fraud Investigation Report. It has been our experience that the sharing of timely and accurate comparative performance data with local welfare management is a key factor in generating joint corrective action in this critical area.

The use of this revised report is effective with the October 1978 report month and is due on or before November 17, 1978, at the Department of Social Services, Data Management and Analysis Bureau, 744 P Street, Mail Station 12-81, Sacramento, CA 95814. A Manual Letter is presently being developed and will be distributed upon completion with a supply of the Form DPA 266.

The revised form has been expanded to include: a more extensive investigation activity, including request and caseload activity; the number of months that an investigation has been pending after acceptance by the investigative unit; and a section to enable the county to report staffing levels for the Special Investigation Unit (SIU). The latter section is to be completed only on a quarterly basis.

The revised report form is arranged in such a way, no matter the placement of the Special Investigation Unit, to ensure that all information from the initial request for an investigation to the eventual disposition by either the Special Investigation Unit or the judicial system, is reported.

The monthly Fraud Investigation Report, Statistical Series PA-4, will be revised shortly after the implementation of the new report (DPA 266) and will be complete in total format for all counties.

I strongly believe this management information system, developed through the joint effort of this Department, CWDA, and county administrative and investigative staff during statewide fraud workshops, will assist us in improving welfare fraud detection and prevention in California.

Should you have any questions regarding the form or instructions, please contact Larry Horner, Data Management and Analysis Bureau, at (916) 322-5462.

Sincerely,

  
MARION J. WOODS  
Director

cc: CWDA  
All District Attorneys

## 26-230.01 CONTENT

## 26-230.01

Fraud Investigation Activity Reports provide monthly data on cases where reasonable grounds to suspect fraud has resulted in a referral for special investigation to the SIU or person designated to coordinate such referrals with the District Attorney or prosecuting authority, as well as cases independently acted upon by the Investigative Units. Form DPA 266 covers Aid to Families with Dependent Children (combined FG, U, and BHI programs), Food Stamps, General Relief, and Other Aid Programs case investigations. The form is in six parts and provides basic data on requests for investigation, cases referred to the county district attorney, dispositions of cases by county welfare departments and county district attorneys, dollar amounts of restitutions arranged/ordered and collected, dollar amounts of fines/forfeitures imposed, criminal complaints filed by county district attorneys, and quarterly staffing reports for the investigation units.

## 26-230.02 PURPOSE

## 26-230.02

National and state emphasis on investigation and prosecution of persons who attempt to receive and who receive public assistance fraudulently require substantial attention by county welfare departments and county district attorneys. The Fraud Investigation Activity Report will show the amount of activity in each administrative unit and will be used (a) to evaluate the effect of the recipient fraud policies generally; (b) to arrive at some judgments on the effectiveness of local agencies in applying the policies; and (c) to plan with local agencies on any needed changes.

## 26-230.03 DISTRIBUTION

26-230.03

Information collected by the Fraud Investigation Activity Report is used to prepare the federally required Annual Report on Methods of Dealing with Questions of Recipient Fraud in State Public Assistance Programs, Form SRS-NCSS-110, National Center for Social Statistics, HEW. In addition, the Department's monthly publication of the Fraud Investigation Report, Statistical Series PA-4, distributed to county agencies and other special reports for the administration and the legislature are derived from Form DPA 266.

## 26-230.04 DUE DATE

26-230.04

The county welfare department is responsible for insuring that this report is fully completed. In counties where portions of this report are completed by other county agencies, this report shall be reviewed and validated prior to transmittal to the Data Management and Analysis Bureau. Mail reports so as to be received in Sacramento on or before the twelfth working day of the month following the end of the report month. Send reports to:

Department of Social Services  
Data Management and Analysis Bureau  
744 P Street, Mail Station 12-81  
Sacramento, CA 95814

## 26-230.10 GENERAL INSTRUCTIONS

26-230.10

Make entries in all boxes as appropriate.

## 26-230.11 INSTRUCTIONS FOR COLUMNS

26-230.11

Column #1. Total. Total number for each line item shall equal the sum of columns 2, 3, 4 and 5, for PARTS A through E, or explain in Part F, COMMENTS.

Each case of suspected fraud shall be reported in only one of the following columns. The case shall be tracked from its original column coding in Part A regardless of any primary aid group change resulting from the investigation. A column shift is allowed in Parts B through D; however, the case activity must be reported in only one tracking column.

Column #2, AFDC. Report activity for all Aid to Families with Dependent Children cases (FG, U, and BHI). In those instances where the suspected fraud affects both an AFDC cash grant and a food stamp case, the activity shall be reported in only the AFDC column.

Column #3, Food Stamps. Report activity on Food Stamp cases where the suspected fraud affects Food Stamps only and not the cash grant, if any, except where the suspected fraud affects both a General Relief and a Food Stamp case, in which case the investigation activity shall be reported in only the Food Stamp column.

Column #4, General Relief. Report activity on General Relief only cases, including both General Home Relief and Miscellaneous General Relief. In those instances where the suspected fraud affects both a General Relief and Food Stamp case, the investigation activity shall be reported in only the Food Stamp column.

Column #5, Other Aid Programs. Report activity on all other aid programs including, but not limited to: SSI/SSP, Emergency Loans, Special Circumstances, Interim Assistance, Cuban Refugee, APSB, Guide Dog Allowance, and IRAP. For entries in this column, please identify programs in Part F, COMMENTS.

## 26-230.20 PART A. INVESTIGATION ACTIVITY

26-230.20

This part of the report provides information on investigation requests and investigation caseload activity.

## SECTION I: INVESTIGATION REQUESTS

This section provides information on the volume of requests for investigation, and the number accepted, rejected, or pending processing. An allegation of suspected fraud is a request for investigation until the supervising investigator, or the equivalent, accepts the request with the intention of assigning it to an investigator.

Item 1. Pending Beginning of this Month - Enter the total number of requests for an investigation pending acceptance or rejection from last month. This item should agree with Part A, Item 5 of the prior month's report. If not, enter correct data in item 1 of the current report and note the reason for the discrepancy in Part F, COMMENTS.

Item 2. Total Requests Received During Month - Enter the total number of requests for investigation received during the report month. Line sub-items "a" through "j" break the total down by primary element. Multiple element requests shall be coded by the element potentially causing the largest overpayment. Eligibility elements receive priority over grant level elements. Example: The request for an investigation alleges an absent parent is still in the home. In an AFDC Family Group case, the request shall be coded "No Deprivation".

a. Earnings Clearance System - Enter the total number of requests emanating from an ECS 155.

- b. Other Unreported Income - Enter the total number of unreported income requests not initiated by the Earnings Clearance System. A non-ECS allegation of full-time employment by a "35" AFDC case shall be coded "no deprivation".
- c. No Deprivation - (AFDC only) Enter the total number of requests for an investigation alleging a specific basis of deprivation does not exist.
- d. Unreported Resources/Assets - Enter the total number of requests concerning concealed or misreported assets/resources such as real/personal property, bank accounts, cash, stocks, bonds, etc.
- e. Family (Household) Composition - Enter the total number of requests based on allegations that the FBU (household) members are not in the home or not eligible for inclusion in the grant. Example: AFDC child not in the home, not a full-time student, or the household is receiving food stamps for three when the Food Stamp household is two.
- f. Misuse - (AFDC only) Enter the total number of requests based on allegations involving violations of Welfare and Institutions Code Section 11480.
- g. Duplicate (Multiple) Aid - Enter the total number of requests for an investigation alleging an individual, or group of individuals, are receiving aid under two or more case numbers, in one or more districts or counties.
- h. Forgery - In those counties where the welfare investigators handle forgery investigations, enter the total number of forgery investigation requests. In those counties where welfare investigators do not handle forgery investigations, enter "NAP" in this item line.
- i. Intake Investigations - Enter the total number of requests initiated through "preventive fraud" programs, or where the intake case does not have a specifically identifiable allegation element.
- j. Other - Enter the total number of other requests; please identify the allegations in Part F, COMMENTS.

Item 3. Total Requests Available During Month - Enter the sum of Item 1 plus Item 2.

Item 4. Total Number of Requests Processed During Month - Enter the sum of sub-items "a" and "b".

- a. Number of Requests Accepted During Month - Enter the total number of requests for investigation that were accepted during the report month. "Accepted" means those requests that are retained in the SIU or its equivalent with the intent of assignment to a field investigator.
- b. Number of Requests Rejected During Month - Enter the total number of requests for investigation that were rejected during the report month. "Rejected" means the request was received, reviewed, and will not be assigned for investigation.

Item 5. Total Requests Pending at End of Month - Enter the total number of requests available during the report month that have not been accepted or rejected for investigation. This item is the difference between Item 3 and Item 4.

## SECTION II: INVESTIGATION CASELOAD

This section provides information on the volume of investigations accepted, completed, pending completion, and restitution amounts arranged by the SIU unit.

Item 6. Pending Beginning of this Month - Enter the total number of investigation dispositions pending from last month. This item will be the sum of sub-items "a" and "b". This item should agree with PART A, item 10 of the prior month's report. If not, enter the correct data in Item 6 of the current report and note the reason for the discrepancy in Part F, COMMENTS.

- a. Pending Less than Six Months - Enter the total number of cases that were accepted for investigation but are still pending dispositions for a period less than six months. Use date of original request to determine this period.
- b. Pending Six Months or More - Enter the total number of cases that were accepted for investigation but are still pending dispositions for a period of six months or more. Insure that cases that were initially reported as pending less than six months that are not reported in this item are likewise deducted from sub-item a.

Item 7. Number of Requests Accepted During Month - Enter the total number of requests for investigation that were accepted during the report month. This item should be the same as PART A, Item 4a of the current month's report or note the reason for the discrepancy in Part F, COMMENTS.

Item 8. Total Investigations Available During Month - Enter the sum of Item 6 plus Item 7.

Item 9. Total Investigations Completed During Month - Enter the total number of investigations completed during the report month. The investigation phase will be considered complete when the case has either been referred to and accepted by the district attorney for his/her action, or a final disposition has been made without an accepted referral to the district attorney. Line sub-items "a" through "g" break the total down by primary element. Report only the final disposition which closes the investigation. There should be no duplicate dispositions per request.

- a. Accepted by District Attorney - Enter the total number of cases accepted by the District Attorney (DA) for final disposition through his/her authority.  
Note: The case shall not be disposed of upon referral until the DA actually accepts the referral. Case referrals rejected by the DA should be closed and

tabulated based on the final action by the county welfare department or special investigation unit.

- b. Restitution/Administrative Closure - Enter the total number of cases in which the final disposition is made through a restitution agreement or administrative action without an accepted referral to the DA. Include the final disposition via grant adjustment, promissory note, citation hearing, full cash restitution, civil court judgment (when filed by a county unit other than the DA), etc. Note: The investigative phase is closed (on a case not accepted by the DA) when a restitution agreement is reached. The restitution agreement is the basis for closing the investigation whether or not full restitution (collection) has been made.

Note: Cases with restitution agreements referred to the county counsel or county collection units shall not be considered as a final disposition of the investigation unless a decision has been made not to refer the case to the district attorney or the DA has rejected the referral. That is, a referral to these units is only a disposition if they are referred in lieu of a DA referral, or as the result of a rejection by the DA.

- c. Denials/Discontinuances - Enter the total number of completed investigations resulting in a denial of an application, discontinuance of eligibility, or a reduction in benefits. Only enter these dispositions here when the investigation is not disposable under sub-items "a" or "b".
- d. Allegation Unsubstantiated - Enter the total number of cases where the investigation phase determined no violation occurred.
- e. Insufficient Evidence - Enter the total number of cases where the investigation is terminated and failed to determine if a violation occurred or not.

- f. Expiration of Statutes - Enter the total number of cases disposed of due to the Statute of Limitations or because the Statute will soon expire.
- g. Other - Enter the total number of investigations disposed of for reasons other than listed in sub-items "a" through "f". Case dispositions shall be specified by type in Part F, COMMENTS.

Item 10. Total Investigations Pending at End of Month - Enter the total number of investigation dispositions pending at the end of the report month. This item is the difference between Item 8 and Item 9.

Item 11. Restitution Arranged (Dollar Amounts) - Enter the total dollar amount of restitution arranged during the report month due to completed investigation activity. Include restitutions arranged via grant adjustments, promissory notes, civil court actions, full cash repayments, etc. Include those repayment agreements initiated prior to the investigation's completion as long as the repayment reflects public assistance monies obtained due to fraud overpayments or over-issuances and are a result of the labors of the SIU.

Note: In a combined AFDC Food Stamp investigation where the investigation is tracked in the AFDC column, the restitution agreed to or ordered is to be reported in applicable columns where the AFDC overpayment and the Food Stamp overissuance amounts are separately identified. If the amounts are not separately identified, report the restitution amount in the applicable tracking column (AFDC in this case).

Restitution arrangements made by the district attorney or the courts shall be reported in Part B, District Attorney Activity.

## 26-230.30 PART B. DISTRICT ATTORNEY ACTIVITY

26-230.30

This part of the report provides information on fraud referrals accepted by the district attorney and the dispositions of the referrals.

Item 1. Referrals Pending Beginning of this Month - Enter the total number of referrals pending dispositions from last month. This item should agree with PART B, Item 5 of the prior month's report. If not, enter correct data in Item 1 of the current report and note the reason for the discrepancy in Part F, COMMENTS.

Item 2. Referrals Accepted During Month - Enter the total number of referrals accepted during the report month. Note: In cases where the original aid group case is not accepted but a companion aid case is accepted, report this case in the applicable tracking column. Column shifts may occur here; however, the investigation and disposition of the case should be reported only once. This item should be the same as PART A, Item 9a of the current report; however, in cases where the referral has shifted columns in PART B, only the total column numbers will compare.

Item 3. Total Referrals Available During Month - Enter the sum of Item 1 plus Item 2.

Item 4. Total Dispositions During Month - Enter the total number of final dispositions completed during the report month. Line sub-items "a" through "g" break the total down by primary element. Report only the final disposition which closes the case. Column shifts may occur here. Note: If there was a dismissal in the AFDC program portion of an AFDC-Food Stamp case and a conviction in the Food Stamp program portion, the final disposition would be reported as a conviction in the Food Stamp column.

- a. Convictions - Enter the total number of referrals (complaints) where there was a criminal conviction, from either a guilty plea or trial.
- b. Administrative Action - Enter the total number of referrals disposed of through a restitution agreement arranged as approved by the district attorney and disposed of in lieu of criminal indictment. Include final dispositions through grant adjustments, agreements to repay, citation hearings, small claims court judgments, full cash restitution made, etc.
- c. Dismissals - Enter the total number of referrals (complaints) disposed of during the report month by dismissal after issuance of a complaint, including those dismissed by motion of the court, either prior to or at the trial, but only if the case is not remanded for administrative disposition.
- d. Acquittals - Enter the total number of referrals (complaints) disposed of by an acquittal.
- e. Declinations - Enter the total number of referrals declined by the district attorney and on which no other action will be taken. A preliminary decision not to prosecute pending further investigation is not a declination. Such cases shall be carried pending until further investigation is completed and a final disposition made. If the district attorney declines to take legal action on a referral after accepting the referral, and the investigation unit has included a valid and acceptable restitution arrangement in the investigation report, the disposition of the referral is not to be reported as disposed of through a declination to take legal action, but as an approved restitution arrangement in Part B, Item 4b, Administrative Action.
- f. Expiration of Statutes - Enter the total number of referrals disposed of due to the Statute of Limitations or because the Statute will soon expire.
- g. Other - Enter the number of referrals disposed of for reasons other than sub-item "a" through "f". Case dispositions shall be specified by type in Part F, COMMENTS.

Item 5. Total Referrals Pending at End of Month - Enter the total number of referral dispositions pending at the end of the report month. This item is the difference between Item 3 and Item 4.

Item 6. Restitution Arranged/Ordered (Dollar Amounts) - Enter the total dollar amount of restitution arranged/ordered during the report month by court action or the district attorney for cases reported in Item 4a, Criminal Conviction, Item 4b, Administrative Action, and Item 4g, Other (if applicable). Include restitutions arranged through grant adjustments, agreements to repay, civil court actions, full cash restitutions, etc.

NOTE: In a combined AFDC-Food Stamp investigation where the investigation is tracked in the AFDC column, the restitution agreed to or ordered is to be reported in applicable columns where the AFDC overpayment and the Food Stamp overissuance amounts are separately identified. If the amounts are not separately identified, report the restitution amount in the applicable tracking column (AFDC in this case).

Item 7. Fines/Forfeitures (Dollar Amounts) - Enter the total dollar amounts of fines/forfeitures levied in one column only. This amount cannot be divided among two columns.

#### 26-230.40 PART C. COMPLAINTS ISSUED

26-230.40

Item 1. Total Criminal Complaints Filed During Month - Enter the total number of criminal complaints filed during the report month due to referrals from the special investigation unit. NOTE: There may be multiple complaints per referral, and all shall be entered in the applicable columns. (i.e., if two complaints are filed in the referral of an AFDC-Food Stamp case, one for the AFDC case and the other for the Food Stamp case, enter a complaint in the AFDC column and a complaint in the Food Stamp column.)

## 26-230.50 PART D. COLLECTIONS

26-230.50

Item 1. Total Collections During Month (Dollar Amounts) - Enter the total dollar amount of restitution actually collected by (i.e., District Attorney, City Attorney, County Welfare Department, Collections), or for, the county welfare department during the report month. Report only those dollar amounts that reflect restitution for fraud overpayments or overissuances. Grant adjustments should be included in this amount if they reflect restitution for fraud overpayments or overissuances.

NOTE: In a combined AFDC-Food Stamp investigation where the investigation is tracked in the AFDC column, the restitution agreed to or ordered is to be reported in applicable columns where the AFDC overpayment and the Food Stamp overissuance amounts are separately identified. If the amounts are not separately identified, report the restitution amount in the applicable tracking column (AFDC in this case).

## 26-230.60 PART E. STAFFING

26-230.60

This part of the report provides information on staffing support levels of the special investigation unit. Persons may or may not be assigned directly to the special investigation unit. These data are to be reported on a quarterly basis only. Check the appropriate month box. The entry for each item shall be the total of:

- a. Full-time staff who devote 100 percent of their time during the report month to conducting and supporting welfare fraud investigations.
- b. Part-time staff who devote all or part of their time to conducting and supporting welfare fraud investigations and full-time staff who devote only part of their time to conducting and supporting fraud investigations. To convert these staff to full-time equivalent positions, total the number of hours

devoted to conducting fraud investigations and divide that total by the actual number of work hours during the report month. Use actual filled positions, not budgeted levels. A position filled one day of the month shall be considered filled for the month. Report in decimals rounded to two places (e.g., .75). Do not use fractions in entries.

Item 1. Supervising/Senior Investigators - Enter the total number of full-time equivalent positions whose primary function is supervising welfare fraud investigations.

Item 2. Investigators - Enter the total number of full-time equivalent positions whose primary function is investigating welfare fraud.

Item 3. Support Staff - Enter the total number of full-time equivalent non-investigative positions who directly support the investigation unit.

Item 4. Totals - Enter the total number of full-time equivalent positions for each column. This is the sum of Items 1 through 3.

26-230.70 PART F. COMMENTS

26-230.70

Discrepancies, special comments or explanations regarding data in this report are to be made in space provided. Additional pages may be attached if necessary.

26-230.90 FORM (DPA 266)

26-230.90

Fill in the information requested at the top and bottom of the Report Form and show the amounts required for each item. If an item is nonapplicable to your county, enter "NAP" in the appropriate item box. Zero entries need not be made.

PART B. DISTRICT ATTORNEY ACTIVITY

PART B. DISTRICT ATTORNEY ACTIVITY		TOTAL (1)	AADC (2)	FOOD STAMPS (3)	GENERAL RELIEF (4)	Other Aid Programs (5)
ITEM						
1. Referrals pending beginning of this month . . . . . (Part B, Item 5 last month, or explain)						
2. Referrals accepted during month . . . . .						
3. Total referrals available during month . . . . . (item 1 plus 2)						
4. Total dispositions during month . . . . . (sum item 4a through 4g)						
a. Convictions . . . . .						
b. Administrative Action . . . . .						
c. Dismissals . . . . .						
d. Acquittals . . . . .						
e. Declinations . . . . .						
f. Expiration of statutes . . . . .						
g. Other . . . . .						
5. Totals referrals pending at end of month (item 3 minus 4) . . . . .	\$	\$	\$	\$	\$	\$
6. Restitution arranged/ordered (dollar amounts) . . . . .	\$	\$	\$	\$	\$	\$
7. Fines/Fortitures (dollar amounts) . . . . .						
PART C. COMPLAINTS ISSUED						
1. Total criminal complaints filed during month . . . . .						
PART D. COLLECTIONS						
1. Total collected during month (dollar amounts) . . . . .	\$	\$	\$	\$	\$	\$
PART E. STAFFING: <input type="checkbox"/> Dec <input type="checkbox"/> Mar <input type="checkbox"/> Jun <input type="checkbox"/> Sep   Report Only						
ITEM						
1. Supervising/Senior Investigators . . . . .						
2. Investigators . . . . .						
3. Support Staff . . . . .						
4. Totals (Sum Item 1 through 3) . . . . .						

FRAYO INVESTIGATION ACTIVITY REPORT

Department of Social Services  
Data Management and Analysis Bureau  
744 P Street, Mail Station 12-81  
Sacramento, California 95814

FOR MONTH ENDING (MONTH, DAY, YEAR)

SPECIAL INVESTIGATION UNIT (SIU) PLACEMENT:  
☐ COUNTY WELFARE DEPARTMENTS OFFICE  
☐ DISTRICT ATTORNEY'S OFFICE

PART A. INVESTIGATION ACTIVITY

SECTION I. INVESTIGATION REQUESTS

1. Pending beginning of this month . . . . . (Part A, Item 5 last month, or explain)  
2. Total requests received during month . . . . . (Sum Item 2a through 2j)  
a. Earnings clearance system (ECS)  
b. Other unreported income  
c. No deprivation  
d. Unreported resources/assets  
e. Family (household) composition  
f. Misuse  
g. Duplicate (multiple) aid  
h. Forgery  
i. Intake investigations  
j. Other

3. Total requests available during month . . . . . (Item 1 plus 2)  
4. Total number of requests processed during month . . . . . (Item 4a plus 4b)  
a. Number of requests accepted during month  
b. Number of requests rejected during month  
5. Total requests pending at end of month (Item 3 minus 4)

SECTION II. INVESTIGATION CASELOAD

6. Pending beginning of this month . . . . . (Part A, Item 10 last month, or explain) (Item 6a plus 6b)  
a. Pending less than six months  
b. Pending six months or more  
7. Number of requests accepted during month  
8. Total investigations available during month (Item 6 plus 7)  
9. Total investigations completed during month . . . . . (Sum Item 9a through 9g)  
a. Accepted by district attorney  
b. Reinstitution/Administrative closure  
c. Denials/Discontinuances  
d. Allegation unsubstantiated  
e. Insufficient evidence  
f. Expiration of statutes  
g. Other

10. Total investigations pending at end of month (Item 8 minus 9)  
11. Reinstitution arranged (Dollar amounts)